



# NEWS RELEASE

OFFICE OF THE UNITED STATES ATTORNEY  
WESTERN DISTRICT OF MISSOURI

**TODD P. GRAVES**

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**FOR IMMEDIATE RELEASE**

## **KC MAN SENTENCED IN SCHEME TO BRIBE OFFICIALS IN COSTA RICA**

**KANSAS CITY, Mo.** – Todd P. Graves, United States Attorney for the Western District of Missouri, announced that a Kansas City man was sentenced today in a scheme to offer \$1.5 million in bribes to Costa Rican officials and political figures in order to obtain a concession to build a port and resort complex on the Central American nation's Caribbean coast.

**Robert Richard King**, 68, of Kansas City, Mo., was sentenced this morning by U.S. District Judge Scott O. Wright to two years and six months in prison without parole. The court also ordered **King** to pay a \$60,000 fine.

On June 24, 2002, a federal jury convicted **King** of conspiracy and violations of the Foreign Corrupt Practices Act. **King** was indicted by a federal grand jury in Kansas City on June 27, 2001. A co-defendant in that indictment, **Pablo Barquero Hernandez**, 54, of Costa Rica, remains a fugitive.

**King** was a stockholder in Owl Securities & Investments, a Kansas City firm. **King** and others agreed to offer a bribe of approximately \$1.5 million to highly-placed officials and political parties in Costa Rica, Graves explained, to obtain concessions to build the Costa Rica Project, a new port and luxury resort complex on Costa Rica's Caribbean coast. The Costa Rica Project was also planned to include an international airport, residential estates, a quarry, salvage operations, and a "dry canal" – a freight railway linking the new port to a port on the Pacific coast.

(MORE)

## COSTA RICA

Page 2 of 2

One of the largest investors in Owl Securities and the Costa Rica Project, Graves said, **King** sought investors in the United States to fund the bribe payment, which he intended to deposit into an “escrow” account, where it would be held until the award of the concession. **Barquero** was allegedly Owl Securities’ agent in Costa Rica and acted as liaison with the Costa Rican government.

Federal prosecutors did not charge that the \$1.5 million bribe was ever paid, Graves said, and no Costa Rican officials have been accused of a crime. Instead, the federal indictment focuses on the conspirators’ agreement to offer the bribe. Graves explained that an agreement to commit an unlawful act, when accompanied by an overt act in furtherance of the agreement, is sufficient to constitute an illegal conspiracy. The Foreign Corrupt Practices Act prohibits American companies from taking any act in furtherance of an offer or action authorizing a bribe to foreign officials to obtain or retain business.

Two former officers of Owl Security have pleaded guilty to their role in the conspiracy. **Richard K. Halford**, 68, of Overland Park, Kansas, and **Albert Franklin Reitz**, 51, of Shawnee Mission, Kansas, waived indictment and pleaded guilty on August 3, 2001, to conspiracy to violate the Foreign Corrupt Practices Act and other charges. **Halford** is the former Chief Financial Officer and Financial Director of Owl Securities. **Reitz** is the Vice President and Secretary of Owl Securities. Both men, who testified during **King’s** trial, were sentenced to probation in recognition of their cooperation.

The case was prosecuted by Philip Urofsky and Nancy Potts, trial attorneys from the Fraud Section of the Criminal Division of the U.S. Department of Justice.

It was investigated by the Federal Bureau of Investigation and Internal Revenue Service Criminal Investigation.

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This news release, as well as additional information about the office of the United States Attorney for the Western District of Missouri, is available on-line at

[www.usdoj.gov/usao/mow](http://www.usdoj.gov/usao/mow)